DEPARTMENT OF SOCIAL AND HEALTH SERVICES
MEDICAL ASSISTANCE ADMINISTRATION
Olympia, Washington

To: Federally Qualified Health Centers
Rural Health Centers
Physicians
Managed Care Plans

Memorandum No: 03-99 MAA
Issued: December 29, 2003

For Information Call:
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From: Douglas Porter, Assistant Secretary
Medical Assistance Administration (MAA)

Subject: Upcoming Changes in Billing Requirements for Federally Qualified Health Center (FQHC) and Rural Health Clinic (RHC) Managed Care Enhancements

Effective January 1, 2004, the Medical Assistance Administration (MAA) will begin a transition process that requires each FQHC and RHC to submit a claim for each client assigned to a managed care plan in order to receive their per member, per month enhancements.

Overview

In an effort to automate the process of paying FQHC and RHC managed care enhancements timely and correctly, MAA will require FQHCs and RHCs to submit an electronic claim for each managed care client assigned to the clinic. MAA is aware of the system modifications and business process changes this will require and will work with each clinic individually to develop a transition plan to accomplish this.

At this time, MAA is asking only those clinics that are ready to submit HIPAA-compliant electronic 837P claims to **begin** this transition by January 1, 2004. MAA will work with those clinics that have not yet adapted their billing systems to HIPAA-compliant formats to incorporate this new billing requirement.

It is the responsibility of the FQHC/RHC to meet the new requirement to bill a claim for each managed care client assigned to the clinic. The managed care plans are not required to bill the enhancements on behalf of your clinic. Any negotiations with the plans to do this must occur individually between the clinic and its contracted plans.

Required Claims Information

Please refer to the DSHS/HIPAA website at http://maa.dshs.wa.gov/dshshipaa/ for informational links on how to bill MAA using a HIPAA-compliant 837P transaction format. The website also includes information regarding a free software program called WINASAP that can be used to produce 837P claim transactions for submission to MAA. If you use a clearinghouse to submit claims to MAA, contact your clearinghouse for assistance in developing a monthly claim cycle for the managed care client enhancements.

In order to process a claim, MAA requires the following information. There may be additional required fields to the 837P claim (please refer to the ANSI ASC X12N Implementation Guide for any questions concerning standard data requirements for this transaction):

- Patient Identification Code (PIC);
- Client last name, first name, middle initial (if the client has one);
- Diagnosis code;
- Date of service;
- Place of service;
- Procedure code/modifier;
- Units;
- Billed charges; **and**
- Group provider billing number.

Data Elements

Some of the required fields above must be filled in each month with the same information:

- Diagnosis code: Use **V68.9** (Unspecified administrative purpose).
- Date of service: Use the **entire month's range** in the "To" and "From" fields (e.g. 1/1/04 – 1/31/04).
- Place of service: Use **place of service 50** (FQHC) **or place of service 72** (RHC).
- Procedure code/modifier: Use HCPCS **procedure code T2022** (case management, per month) with **modifier UC** (FQHC/RHC service).
- Billed charges: Must be your per member, per month enhancement rate.
- Group/billing provider number: Use your managed care provider number beginning with "759xxxx".

Contact Information

For more information, contact Louis McDermott, FQHC/RHC Program Manager, at (360) 725-1973, or by email at mcderla@dshs.wa.gov; or Mary Wendt, Professional Reimbursement Section Manager, at (360) 725-1840, or by email at wendtma@dshs.wa.gov.

To obtain this memorandum electronically, go to MAA's website at http://maa.dshs.wa.gov (Click on Provider Publications/Fee Schedules link).